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October 9, 2009

To: Senator Amanda Ragan and Representative Beth Wessel-Kroeschell
From: Garth Bowen and Paul M. Pietzsch, MPH

Subject: Testimony for Prescription Drug Usage Study Committee

I am responding to your request inviting us to submit testimony for your Committee's consideration. Thank you for this opportunity.

The IHBA and HPCI have a combined membership of over 60 Iowa organizations representing more than 600,000 Iowans. These include public and private employers, labor organizations and other consumer groups. Our common purpose is to improve health, health care quality, affordability, accessibility and transparency.

You ask "What does your organization propose doing to contain the cost of, provide access to, and improve the quality of prescription drugs?" We make the following recommendations as health care customers.

We believe it is essential that the State of Iowa play a much greater role in realizing effective and meaningful transparency in prescription drugs as well as in other aspects of the health industry. It is an important catalyst and tool for needed change and improvement in health care. Transparency and comparative public reporting of cost, quality and outcomes is essential for consumers, patients and purchasers as well as providers and suppliers. It helps consumers, patients and purchasers make better decisions. It motivates and supports providers and suppliers to improve. High quality, efficient providers can be recognized and rewarded. Transparency and comparative reporting is also necessary to achieve quality-based reimbursement for health providers rather than the current system which is based on volume.

Key considerations for successful public reporting: 1) report on items of interest to consumers, 2) report on clinical outcomes and waste, 3) report on patient-centered care, 4) report on resource use and outcomes of care variations, 5) show the differences between providers, and 6) the source of public reporting must be objective.

We would be pleased to provide more information regarding these recommendations.
Thank you.